

Supplement to the Report of the Finance Committee 2024 Annual Town Meeting

Supplement Dated: May 9, 2024

COMPLETED VOTES:

After the Finance Committee's April 24, 2024 Report to Town Meeting was distributed to Town Meeting Members, but before Town Meeting commenced voting, the Department of Revenue requested a slight change to the language of the Finance Committee's recommended Vote on Articles 61 and 63. These changes were non-substantive and were adopted by the Finance Committee. On the first night of Town Meeting, these changes were explained to Town Meeting, which proceeded to approve both Articles as part of the Consent Agenda. For the benefit of Town Meeting Members, and in order for the Town Clerk to keep accurate records, the correct language of the recommended Votes for Articles 61 and 63 are set forth below.

ARTICLE 61

APPROPRIATION / OVERLAY RESERVE

To see if the Town will vote to appropriate a sum of money from previous years overlay reserve surplus accounts, determine to what purpose this appropriation shall be made; or take any action related thereto.

(Inserted at the request of the Finance Committee)

Original language as contained in the April 24, 2024 Arlington Finance Committee Report:

VOTED: That the sum of \$750,000 be and hereby is appropriated, to be transferred from Overlay Reserve Surplus Accounts of previous fiscal years, said sum to be utilized in the determination of the tax rate.

Administrative correction to the above vote:

VOTED: That the sum of \$750,000 be and hereby is appropriated, to be transferred from Overlay Reserve Surplus Accounts of previous fiscal years, said sum to be utilized to reduce the tax rate.

ARTICLE 63

USE OF FREE CASH

To see if the Town will vote to authorize the taking of a sum of money voted for appropriations heretofore made at the Town Meeting under the Warrant and not voted to be borrowed from available funds in the Treasury, and authorize the Assessors to use free cash in the Treasury to that amount in the determination of the tax rate for the Fiscal Year beginning July 1, 2024; or take any action related thereto.

(Inserted at the request of the Finance Committee)

Original language as contained in the April 24, 2024 Arlington Finance Committee Report:

VOTED: That the sum of \$8,941,936 be taken from available funds in the treasury, and that the Board of Assessors is instructed to use said amount in the determination of the tax rate.

Administrative correction to the above vote:

VOTED: That the sum of \$8,941,936 be taken from available funds in the treasury, and that the Board of Assessors is instructed to use said amount to reduce the tax rate.

FINANCE COMMITTEE'S RECOMMENDED VOTES ON ARTICLES 64 AND 65:

In its April 24, 2024 Report to Town Meeting, the Finance Committee informed Town Meeting that because of the current state of collective bargaining, it would report on Articles 64 and 65 at Town Meeting. Negotiations between certain unions have very recently concluded. After a review of these agreements, the Finance Committee hereby recommends the following Votes:

ARTICLE 64

APPROPRIATION / FISCAL STABILITY STABILIZATION FUND

To see if the Town will make an appropriation to or from the Fiscal Stability Stabilization Fund created under Article 65 of the 2005 Annual Town Meeting or any other enabling action of Town Meeting in accordance with the provisions of the General Laws, Chapter 40, Section 5B, as amended, or other appropriate provisions of law, determine how the money shall be raised and expended; or take any action related thereto.

(Inserted at the request of the Finance Committee)

VOTED: That the sum of \$4,374,790 be and hereby is appropriated from the Fiscal Stability Stabilization Fund, and that the Board of Assessors is instructed to use said amount in the determination of the tax rate. (Requires 2/3 Vote)

COMMENT: *This fund was created to hold money raised from successful override votes. Money accumulated in this fund is drawn down each year by way of two-thirds vote of Town Meeting to help fund the next fiscal year budget. The amount being appropriated out of this fund, \$4,374,790, is what is necessary to balance the FY 2025 budget.*

ARTICLE 65**COLLECTIVE BARGAINING**

To see if the Town will vote to fund any fiscal items in the event that any are contained in collective bargaining agreements between the Town and the following named collective bargaining units, and to fund for non-union, M Schedule, and elected officials' salaries or fringe benefits, determine how the money shall be raised and expended; or take any action related thereto:

- A. Service Employees International Union;
- B. American Federation of State, County and Municipal Employees;
- C. Robbins Library Professional Association;
- D. Arlington Police Patrol Officers' Association;
- E. Arlington Ranking Officers' Association;
- F. Arlington International Association of Firefighters; and
- G. Management and Non-Union Employees
- H. Full-time elected officials

(Inserted at the request of the Town Manager)

VOTED: That the sum of \$534,251 is hereby appropriated, to be set aside for funding future collective bargaining agreements, said sum to be raised by general taxes and said sum shall not be expended without a future vote of Town Meeting;

AND FURTHER VOTED that the sum of \$573,031 is hereby appropriated and transferred into the following departmental budgets as indicated in this table, said sum to be raised by general taxes:

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Department	FY25 D
Select Board	\$ 6,988
Town Manager	\$ 21,787
Finance Committee	\$ 176
Comptroller	\$ 10,480
Assessor	\$ 8,448
Treasurer	\$ 19,351
Postage	\$ 1,111
Legal	\$ 13,614
HR	\$ 9,532
IT	\$ 28,706
Town Clerk	\$ 8,188
Registrars	\$ 1,506
Planning/Comm. Development	\$ 23,184
ZBA	\$ 2,541
Parking	\$ 2,019
Police	\$ 41,677
Fire	\$ 21,911
Inspections	\$ 13,623
DPW Natural Resources	\$ 33,275
DPW Engineering	\$ 11,163
DPW Admin	\$ 14,577
DPW Highway	\$ 43,041
DPW Mechanics	\$ 12,930
DPW Cemetery	\$ 7,734
Facilities	\$ 13,800
HHS	\$ 19,307
DEI	\$ 6,672
COA	\$ 14,703
Veterans	\$ 2,381
Library	\$ 61,629
Water/Sewer	\$ 35,889
AYCC	\$ 38,551
COA Transport	\$ 1,521
Rink	\$ 6,317
Recreation	\$ 14,699
Total	\$ 573,031

AND FURTHER VOTED That the Town hereby ratifies the following financial items in the collective bargaining agreements and memoranda of agreement with the following enumerated collective bargaining units and hereby approves the following financial items relating to

A. Local 680, American Federation of State, County and Municipal Employees:

1. A three percent (3%) wage increase effective July 1, 2024,
2. A three percent (3%) wage increase effective July 1, 2025,
3. A three percent (3%) wage increase effective July 1, 2026,
4. A market adjustment of \$0.60 per hour for all AFSCME ATP and OFFA pay plan employees effective January 1, 2027
5. A market adjustment of \$0.75 per hour for all AFSCME MC pay plan employees effective January 1, 2027
6. A change in Dispatcher EMD Certification pay from a \$300 stipend to a \$0.25 hourly differential
7. A \$200 increase to longevity for any employee who qualifies
8. A change in observed holidays – Saturday holidays will now be observed on preceding Fridays, and Sunday holidays will now be observed on the following Mondays.
9. A one-time Friday, July 5th, 2024
10. An increase from \$0.40 to \$0.80 cents per hour for library evening differential

B. Robbins Library Professional Association

1. A three percent (3%) wage increase effective July 1, 2024,
2. A three percent (3%) wage increase effective July 1, 2025,
3. A three percent (3%) wage increase effective July 1, 2026,
4. A \$400 increase to longevity for any employee who qualifies
5. A pilot program change in personal days - all personal days previously earned by not taking sick time will now be granted quarterly, and must be used within 1 year
6. The ability to borrow up to six sick days prior to the expiration of new employee's probationary period.

C. Service Employees International Union

1. A three percent (3%) wage increase effective July 1, 2024,
2. A three percent (3%) wage increase effective July 1, 2025,
3. A three percent (3%) wage increase effective July 1, 2026,
4. A market adjustment of \$0.75 per hour for all SEIU pay plan employees effective January 1, 2027,
5. A change in observed holidays – Saturday holidays will now be observed on preceding Fridays, and Sunday holidays will now be observed on the following Mondays.
6. A one-time Friday, July 5th, 2024

D. Management and non-union employees:

1. A three percent (3%) wage increase effective July 1, 2024

COMMENT: Negotiations are still in process with several Town unions.

APPENDIX C
Summary of Finance Committee Recommendations
Fiscal Year 2025

REVENUES

PROPERTY TAX DETAIL

FY 2024 levy limit (n/i override debt)	140,021,331
+2.5%	3,500,533
FY25 Override	7,000,000
Arlington High School	9,379,957
Dallin School	159,550
Gibbs School	1,784,100
Minuteman High School	1,830,191
Stratton School	488,775
Thompson School	710,325
Total excluded debt (schools)	14,352,898
New growth	850,000
Debt premium adjustment	(16,745)
TOTAL FY 2025 PROPERTY TAX	165,708,017

LOCAL RECEIPTS DETAIL

Motor vehicle excise	4,898,450
Other excise - hotel	350,000
Other excise - meals	425,000
Marijuana	309,000
Penalties & interest	370,000
Payments in lieu of taxes (PILOT)	18,000
Fees	875,000
Rentals	200,544
Schools Medicaid	200,000
Dept revenue - cemeteries	250,000
Other departmental revenue	225,000
Licenses and permits	1,725,000
Court fines	10,000
Investment income	400,000
TOTAL LOCAL RECEIPTS	10,255,994

LOCAL AID ("CHERRY SHEET") DETAIL (Governor's proposal)

RECEIPTS

Education	
Chapter 70	18,884,039
Charter Tuition Assessment Reimbursement	79,555
Offset Receipts	
School Lunch Assistance	0
School Choice Receiving Tuition	0
Total Education	18,963,594
General Government	
Additional Assistance	0
Total unrestricted gen'l gov't (UGGA)	9,341,579
Annual Formula Local Aid	0
Veterans' Benefits	102,165
Exemptions: Vets, blind, Elderly, etc.	86,875
Offset Receipts	
Public Libraries	108,800
Total General Government	9,639,419
Total Estimated Receipts	28,603,013

ASSESSMENTS

Retired Employee's Health Insurance	0
Air Pollution Districts	20,095
Metropolitan Area Planning Council	27,097
RMV Non-Renewal Surcharge	13,700
Total Assess. & Charges	60,892

Transportation Authorities

MBTA	3,403,415
Boston Metro. Transit District	710
Total MBTA Assessment	3,404,125

Annual Charges Against Receipts

Special Education	14,015
Total Annual Charges	14,015

Tuition Assessments

School Choice Sending Tuition	146,154
Charter School Sending Tuition	417,560
Total Tuition Assessments	563,714
Total Estimated Charges	4,042,746
NET LOCAL AID	24,560,267

APPROPRIATIONS

BUDGETS (Article 39)

Town Manager	
3 Town Manager	734,671
4 Human Resources	393,533
5 Information Technology	1,255,953
6 Comptroller	362,370
7 Treasurer-Collector	727,720
8 Postage	169,292
9 Board of Assessors	344,942
10 Legal	504,428
14 Planning & Community Development	655,539
15 Redevelopment Board	12,800
17 a. Public Works Administration	312,637
17 b. Engineering	185,057
17 c. Cemetery	273,479
17 d. Natural Resources (inc. field maintenance)	1,909,281
17 e. Sanitation/Highway Div. (inc. snow & ice)	7,714,724
17 f. Motor Equipment Repair	478,178
17 g. Street lighting, traffic signals	265,000
18 Facilities	1,209,151
19 Police Services	9,495,021
20 Fire Services	8,775,585
21 Inspections	539,121
23 Libraries	2,822,379
24 a. Health and Human Services Administration	735,666
24 b. Veterans' Services	333,612
24 c. Council on Aging	400,226
24 d. Diversity, Equity & Inclusion	201,688
Total Town Manager	40,812,053
Select Board	
2 a. Administration and Licensing	266,520
2 c. Accounting and Auditing	78,000
13 Parking	57,102
16 Zoning Board of Appeals	76,723
Total Select Board	478,345
Town Clerk	
11 Town Clerk	304,086
12 Board of Registrars	73,733
Total Town Clerk	377,819
Retirement	
25 a Contributory Pensions	14,994,696
25 b Non-Contributory Pensions *	0
25 Total Pensions	14,994,696
26 Insurance (15-0-1)	23,241,930
Fixed Budgets	
11 Elections & Town Meeting	278,704
27 Reserve Fund	2,019,326
Total Fixed Budgets	2,298,030
1 Finance Committee	11,848
22 Education	96,521,248
Total Budgets (Article 39)	178,735,969

WARRANT ARTICLES

TOTAL BUDGETS	
39 Total Budgets	178,735,969
40 Capital Budget	23,969,035
OTHER WARRANT ARTICLES	
37 Positions reclassification	11,886
38 Amendments to FY 2024 Budgets	0
45 Minuteman Regional School	8,562,229
46 Arlington Commission on Arts & Culture	35,000
46 Arlington Historical Commission	8,700
46 Disability Commission	20,000
46 Envision Arlington	1,500
46 Historic District Commissions	6,000
46 Human Rights Commission (15-1-0)	7,500
46 LGBTQIA+ Rainbow Commission	4,000
46 Open Space Committee (13-0-1)	1,000
46 Scenic Byway (16-1-0)	5,000
46 Tourism & Econ. Development	4,275
46 Transportation Advisory	2,000
46 Zero Waste Arlington (Recycling)	3,000
47 250th Anniversary Celebration (15-0-1)	25,000
47 Flags on graves of veterans	4,500
47 Town Day	5,000
47 Veteran's, Mem., Patriot's Day Parades	5,667
48 Indemnification, medical costs (16-0-1)	15,161
48 Legal defense fund	0
49 Water bodies (Cons Comm)	85,000
51 Community Service Program (Harry Barber)	7,500
52 Pension Adjustment (15-0-1)	0
53 Stratton Safe Routes	0
54 Private Ways revolving fund	100,000
55 Public Library Construction (14-1-1)	75,000
57 Master Plan Update	0
59 Retiree health insurance (OPEB)	805,000
61 Overlay Reserve	600,000
62 Long term stabilization fund	100,000
65 Collective Bargaining / Salary Reserve	1,107,282
TOTAL OTHER ARTICLES	11,607,200
TOTAL WARRANT ARTICLES	214,312,204

ENTERPRISE FUNDS

A. WATER & SEWER

Expenses	6,360,853
Capital	2,082,926
Assessment	15,377,926
Indirect charges	815,824
Total expenses	24,637,529
Total revenues	24,637,529
Net surplus (deficit)	0

B. RECREATION

Expenses	2,617,205
Capital	15,000
Total expenses	2,632,205
Total revenues	2,632,205
Net surplus (deficit)	0

C. ED BURNS ARENA

Expenses	632,531
Capital	56,256
Total expenses	688,787
Total revenues	688,787
Net surplus (deficit)	0

D. COUNCIL ON AGING TRANSPORTATION

Expenses	129,199
Total revenues	79,199
From general fund	50,000
Net surplus (deficit)	0

E. ARLINGTON YOUTH COUNCILING SVCS

Expenses	1,516,366
Total revenues	1,453,270
From general fund	120,000
Net surplus (deficit)	56,904

ENTERPRISE FUND SUMMARY

Budget	11,256,154
Capital	2,154,182
Assessment	15,377,926
Indirect charges	815,824
Total expenses	29,604,086
Total revenues	29,490,990
Total from general fund	170,000
Net surplus (deficit)	56,904

SUMMARY

SUMMARY OF 2025 REVENUES

Property Tax Levy	165,708,017
Local Aid Receipts	28,603,013
Local Receipts	10,255,994
Overlay Reserve Surplus (Art 61)	750,000
Fiscal Stability Fund (Article 64)	4,374,790
Health Claims Trust Fund	0
Use of Free Cash (Article 63)	8,941,936
TOTAL OF 2025 REVENUES	218,633,750

SUMMARY OF 2025 EXPENDITURES

Town Budgets (Article 39)	82,214,721
Education	96,521,248
Capital Budget	23,969,035
Other warrant articles	11,607,200
Youth Services subsidy	120,000
C of A Trans subsidy	50,000
MBTA assessment	3,404,125
Educ. & Library offset receipts	108,800
Charter/choice tuitions	563,714
Other state assessments	74,907
Reserve for court judgements	0
Snow & Ice deficit	0
Fiscal Stability Fund (Article 64)	0
TOTAL OF 2025 EXPENDITURES	218,633,750

2025 REVENUES LESS EXPENDITURES

	0
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APPENDIX D
Long Range Projection FY2024-FY2029

	FY 2024	FY 2025	Dollar Change	Percent Change	FY 2026	Dollar Change	FY 2027	Dollar Change	FY 2028	Dollar Change	FY 2029	Dollar Change
I REVENUE												
A. State Aid	28,233,640	28,603,013	369,373	1.31%	28,885,269	282,256	29,170,348	285,079	29,458,277	287,929	29,749,085	290,808
American Rescue Plan Act	5,000,000	0	(5,000,000)	-100.00%	0	0	0	0	0	0	0	0
B. Local Receipts	9,855,994	10,255,994	400,000	4.06%	10,355,994	100,000	10,455,994	100,000	10,555,994	100,000	10,655,994	100,000
C. Free Cash	7,956,044	8,941,936	985,892	12.39%	5,704,870	(3,237,066)	5,704,870	0	5,704,870	0	5,704,870	0
D. Overlay Reserve Surplus	600,000	750,000	150,000	25.00%	200,000	(550,000)	200,000	0	200,000	0	200,000	0
E. Property Tax	153,851,908	165,708,017	11,856,109	7.71%	170,004,225	4,296,208	174,265,205	4,260,980	178,732,079	4,466,874	183,321,218	4,589,139
F. Override Stabilization Fund	588,575	4,374,790	3,786,215	643.29%	13,556,215	9,181,425	0	(13,556,215)	0	0	0	0
TOTAL REVENUES	206,086,161	218,633,750	12,547,589	6.09%	228,706,573	10,072,823	219,796,417	(8,910,156)	224,651,220	4,854,803	229,631,167	4,979,947
II APPROPRIATIONS												
One Time COVID impact		0	0									
A. School Additions	600,000	3,100,000			1,700,000		600,000		300,000		0	
General Education Costs	57,312,461	61,351,257	3,438,796	6.00%	66,753,248	2,301,991	70,876,830	2,423,582	73,756,772	2,279,942	76,140,590	2,083,818
Special Education Costs	30,070,757	32,025,356	1,954,599	6.50%	34,107,004	2,081,648	36,323,959	2,216,955	38,685,016	2,361,057	41,199,542	2,514,526
Growth Factor	964,116	44,635	(919,481)	-95.37%	26,781	(17,854)	(214,248)	(241,029)	(490,985)	(276,737)	(607,036)	(116,051)
Net School Budget	88,947,334	96,521,248	7,573,914	8.52%	102,587,033	6,065,785	107,586,541	4,999,508	112,250,803	4,664,262	116,733,096	4,482,293
Minuteman Operating & Capital	7,112,915	6,732,038	(380,877)	-5.35%	6,967,659	235,621	7,211,527	243,868	7,463,930	252,403	7,725,168	261,238
Minuteman Exempt Capital	1,820,001	1,830,191	10,190	0.56%	1,830,191	0	1,830,191	0	1,830,191	0	1,830,191	0
Town Personnel Services	32,405,145	33,468,687	1,063,542	3.28%	34,556,419	1,087,732	35,679,503	1,123,084	36,839,087	1,159,584	38,036,357	1,197,270
Town Expenses	12,222,308	12,707,346	485,038	3.97%	13,120,335	412,989	13,546,746	426,411	13,987,015	440,269	14,441,593	454,578
Town Additions		250,000										
Enterprise Fund/Other	3,257,455	3,218,686	(38,769)	-1.19%	3,323,293	104,607	3,431,300	108,007	3,542,817	111,517	3,657,959	115,142
Net Town Budget	41,369,998	42,957,347	1,587,349	3.84%	44,353,461	1,396,114	45,794,949	1,441,488	47,283,285	1,488,336	48,819,991	1,536,706
MWRA Debt Shift	0	0	0		0	0	0	0	0	0	0	0
B. Capital budget												
Exempt Debt Service	12,028,956	12,522,707	493,751	4.10%	12,393,129	(129,578)	12,157,188	(235,941)	12,066,529	(90,659)	11,984,197	(82,332)
Non-Exempt Service	7,154,944	7,478,171	323,227	4.52%	7,913,301	435,130	7,970,289	56,988	8,042,402	72,112	8,149,576	107,174
Cash	3,918,856	4,952,417	1,033,561	26.37%	4,233,485	(718,932)	4,571,562	338,077	4,888,319	316,757	4,790,529	(97,790)
Offsets/Capital Carry Forward	(736,989)	(984,261)	(247,272)	33.55%	(255,756)	728,505	(238,810)	16,946	(192,768)	46,042	(191,065)	1,703
Total Capital	22,365,767	23,969,034	1,603,267	7.17%	24,284,159	315,125	24,460,229	176,070	24,804,482	344,252	24,733,237	(71,245)
C. Pensions	14,133,735	14,994,696	860,961	6.09%	15,819,404	824,708	16,689,471	870,067	17,607,392	917,921	18,575,799	968,407
D. Insurance	22,077,822	23,241,930	1,164,108	5.27%	24,707,931	1,466,001	25,955,399	1,247,468	27,200,537	1,245,138	28,560,216	1,359,679
F. Offset Aid - Assistance to Libraries												
F. Overlay Reserve	615,000	600,000	(15,000)	-2.44%	600,000	0	600,000	0	600,000	0	600,000	0
G. Reserve Fund	1,900,782	2,019,326	118,544	6.24%	2,027,572	8,246	2,076,392	48,820	2,125,847	49,455	2,176,470	50,623
H. Court Judgments/Symmes	100,000	0	(100,000)	-100.00%	0	0	0	0	0	0	0	0
I. Warrant Articles	1,266,835	1,616,393	349,558	27.59%	1,341,393	(275,000)	1,391,393	50,000	1,341,393	(50,000)	1,391,393	50,000
J. Override Stabilization Fund	0	0	0	-	0	0	0	0	0	0	0	0
K. TOTAL APPROPRIATIONS	205,789,144	218,633,750	12,844,606	6.24%	228,771,418	10,137,668	237,952,303	9,180,885	246,970,255	9,017,952	255,716,796	8,746,541
L. BALANCE	297,017	0			(64,845)		(18,155,886)		(22,319,035)		(26,085,629)	
Free Cash	17,883,872	11,409,740			11,409,740		11,409,740		11,409,740		11,409,740	
Stabilization Fund	4,165,933	4,349,252			4,536,237		4,726,961		4,921,501		5,119,931	
Override Stabilization Fund	17,931,005	13,556,215			0		0		0		0	
Municipal Bldg. Ins. Trust Fund	658,179	664,761			671,408		678,122		684,904		691,753	
TOTAL:	40,638,989	29,979,968			16,617,385		16,814,824		17,016,145		17,221,424	
	5.05%	5.29%			5.25%		5.21%		5.20%		5.01%	

The plan does not include any projected revenues or expenditures from the Community Preservation Act
Projected School Enrollment Growth FY 2025 - FY 2029

	FY 2024**	FY 2025*	FY 2026*	FY 2027*	FY 2028*	FY 2029*
Actual/Proj. Annual Growth	108	5	3	(24)	(55)	(68)
** Actual Growth - FY23 50% PPC of \$14,601 = \$7,300 X EG						
* Projected Growth - FY2025 through FY2029 Based on 50% of FY21 DESE Per Pupil Cost of \$17,854 = \$8,927 X Enrollment Growth						